

# **FISCAL NOTE**

## **SB 432 - HB 1031**

April 4, 2003

**SUMMARY OF BILL:** Changes the way net worth is calculated for the purposes of the **excise** tax. Currently, the numerator is calculated as a property factor, plus a payroll factor, plus twice the receipts factor. Under this bill, the numerator would be calculated as a property factor, plus a payroll factor, plus three times the receipts factor.

### **ESTIMATED FISCAL IMPACT:**

**Decrease State Revenues - \$2,500,000**

**Increase State Expenditures - \$58,800 One-Time**

Estimate assumes:

- going to a triple weighted sales formula would decrease excise tax revenues by approximately \$2,500,000.
- one-time expenditures to the state of \$32,800 for systems changes and \$26,000 for forms changes associated with the implementation of the bill.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director